

Statement of Estimated State Revenue Impact

Date: February 5, 2013

Bill Number: S.B. 6

Authors: Peeler

Committee Requesting Impact: Labor, Commerce and Industry

Bill Summary

A bill to amend Section 40-11-260, Code of Laws of South Carolina, 1976, relating to financial statements and net worth requirements for general contractors and mechanical contractors, so as to adjust the net worth requirement for licensure and license renewal, and to delete obsolete language.

REVENUE IMPACT ^{1/}

This bill would have no impact on state General Fund revenue or local revenues.

Explanation

This bill authorizes the Department of Labor, Licensing and Regulation to increase the construction costs per job in two of the five groups of general contractor's net worth requirements. Section 40-11-620(A)(2)(a) increases from \$100,000 to \$150,000 per job. Section 40-11-260(A)(3)(a) increases from \$350,000 to \$425,000 per job. Additionally, this bill authorizes an increase in the construction costs in three of the five groups of the mechanical contractor's net worth requirements. Section 40-11-260(B)(2)(a) increases from \$30,000 to \$50,000 per job. Section 40-11-260(B)(3)(a) increases from \$50,000 to \$100,000 per job. Section 40-11-260(B)(4)(a) increases from \$125,000 to \$200,000 per job. These requirements apply to new licenses and license renewals.

This bill is not expected to have an impact on General Fund or local revenues as it only proposes to increase the construction costs per job within the net worth requirement groups.

This act takes effect upon approval by the Governor.



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Analyst: Wren

^{1/} This statement meets the requirement of Section 27-71 for a state revenue impact by the BEA, or Section 27-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.